

Wisconsin, Utah, New Mexico, and Colorado. Plans are under way to approach local medical associations in those states.

The prolonged drought in North and South Dakota have made state-wide plans necessary. The influx of migrants from the "dust bowl" area into California has required setting up a special medical care program in that state, also.

SAN FRANCISCO MUNICIPAL HEALTH SERVICE SYSTEM

Group Health in Effect for San Francisco City Workers

Twelve Thousand Individuals Have Burdens of Expensive Care Taken From Shoulders

Lifted from the shoulders of 9,500 city employees and 2,500 of their dependents today was the specter of prolonged illness with expensive doctor and hospital costs.

The twelve thousand individuals were members of the Health Service System of San Francisco, and for the payment of small monthly sums were guaranteed the best medical and hospital attention the city affords.

As the group health insurance plan went into operation the Health Service Board was already looking ahead to the day when service could be expanded to include dental care and other services.

Virtually all illness and operations were provided for under the present plan, to which each employee contributes \$2.50 a month, 25 cents of which goes to maintain the Health Service Board.

For each dependent over eighteen years of age they pay \$2.25 a month, and if a family has one child under eighteen coming in under the plan, the charge is \$1.50. For larger families the charge is \$1 per child.

SELECTION OF ONE THOUSAND PHYSICIANS

The members of the plan can select their physicians and surgeons from a panel of one thousand doctors, which is being expanded rapidly, and can choose any major hospital in San Francisco, with the exception of Stanford University Hospital.

Jesse B. Cameron, secretary, reported scores of reservations have been made for treatment of illnesses of long standing and that these requests have been turned over to Dr. Walter B. Coffey, Medical Director.

FUNDS PROTECTED

"To assure an equitable trial period, Doctor Coffey has been authorized to postpone hospitalization of any case for six months," Mr. Cameron said. "This does not mean we will not accept cases immediately, but is a safeguard against a possible but unlikely depletion of our surplus funds."

Income of the system averages \$30,000 a month now and is expected to be materially increased in the near future as more dependents of employees come under the plan. They have until November 15 to join without taking a physical examination first.—*San Francisco News*, October 1.

San Francisco City Employees Are a Robust Lot

The first few days of operation of their new health service system, which has attracted nation-wide attention, have shown San Francisco municipal employees to be a healthy lot, according to Dr. W. B. Coffey, Medical Director of the system.

Contrary to expectation, no rush of applications for operations or hospital service developed when the system started on October 1. Hospitalization has been under the estimates of Doctor Coffey for normal operations.

Two offices are operated by the system, which furnishes medical and hospital services to some 9,500 employees and

2,000 dependents for \$2.50 per month for adults, \$1 a month for children.

THE BUSINESS OFFICE

The business office, managed by Jesse B. Cameron, System Secretary, is at the City Hall. It receives employee contributions through collections by the controller, pays the bills, handles applications. Medical headquarters are maintained at 909 Hyde Street, with Doctor Coffey in charge.

At Doctor Coffey's offices each morning's mail brings reports from physicians who have served members. About one thousand doctors are on the panel, having agreed to a fee schedule, a "unit" system for computing pay for services and other regulations. A member of the System has free choice of doctor or hospital. All but one of the city's major hospitals are on the list.

NO RED TAPE

For the employee-member there is no red tape, though out of his sight there is a thorough system of reports and records that permits the Medical Director to see what is going on.

From the doctors' and hospital reports daily reports to Doctor Coffey are made up. Yesterday's showed fifty-five new cases of illness, six old cases terminated, 175 cases still under treatment.

One member had been hospitalized, two discharged from hospitals, leaving seven in hospital beds. Hospital days during the month to date were thirty-two. There had been 150 office visits to doctors, seventeen house visits by doctors during the five days, seven minor operations, five major ones.

Doctor Coffey, in estimating service costs in advance, had figured on one thousand hospital days per month for the employee group. A rush for treatment of chronic ailments was deemed possible. The actual figures are below the normal expectation.

GOING SMOOTHLY

"Everything has gone smoothly thus far," said Doctor Coffey. "There is no reason why that should not continue. We are scrupulous in avoiding any recommendations of doctors. They maintain their right to attract patients through good service. The doctor-patient relation is maintained. The business office, run by laymen, does not interfere with the medical end of the System.

"I am confident physicians, hospitals, and employees will like the arrangement more as it goes along. It puts medical and hospital services within employees' means by spreading the cost. There is no restriction on the patient's freedom of choice or on any ethical doctor's right to serve members of the group who want his services."

Doctor Coffey said inquiries about the local plan had been received from many places and from as far away as Washington.—*San Francisco Chronicle*, October 6.

SOUTHERN CALIFORNIA MEDICAL CARE PLAN

Hospital and Doctor's Service for Low Wage Earners Foreseen

Inauguration of a nonprofit hospital-medical service in the Southland for the special benefit of low-bracket wage earners was foreseen yesterday for the near future by Ritz E. Heerman, President of Associated Hospital Service of Southern California, and also superintendent of California Hospital, following his return from Dallas, Texas, where he attended the national convention of the American Hospital Association.

"Nonprofit hospital-medical service for wage earners formed one of the major themes of the convention, which

was attended by representatives of the American Medical Association, the Social Security Board of Washington, D. C., and virtually every major hospital and hospital association in the United States," said Heerman.

PRESSURE STRONG

"Speaking for the Government, Arthur J. Altmeyer, Chairman of the Social Security Board, and Louis S. Reed, also of the Board, declared that the public pressure which is being exerted upon the Government for a more widely beneficial and advanced type of hospital service is of a character that no longer can be ignored.

"These Government spokesmen were most fair in their attitude toward hospitals, declaring that many institutions have gone far toward solving existing problems by voluntarily introducing group hospitalization.

"Both speakers assured convention delegates that the Government entertains no plans for engaging in a program that would be in competition with voluntary institutions, particularly those which have a nonprofit plan in operation or under serious consideration."

PARTIAL SOLUTION

Heerman added that the Government spokesmen expressed the opinion, however, that the nonprofit service plan in operation in various parts of the country only partially solves present problems, and that the entire program will receive new impetus when a coordinated group medical service plan is placed in operation.

"A plan of this type is being considered by medical groups throughout the United States, especially in Southern California, following a meeting of the House of Delegates of the American Medical Association on September 16, when it fully approved the nonprofit hospital group plans now functioning under the joint direction of hospital and medical men."

FULL SERVICE PLANNED

Heerman said that plans are now under consideration for institution of a combined prepayment hospital-medical service throughout the Southland.

"In some of the rural communities we will encounter cases where unfortunate groups will be financially unable to subscribe to the plan. In such instances the Federal Government has indicated a method probably will be advanced whereby these groups will be able to have the same nonprofit medical-hospital benefits that are enjoyed by other classes of society."

Heerman said that several local medical societies are surveying the situation and that leaders in the group hospital plan have expressed their willingness to offer the medical fraternity their cooperation as soon as a workable program has been formulated.—*Los Angeles Times*, October 8.

NEW YORK MEDICAL SERVICE PLAN

Doctors Propose Four-Cent-a-Day Plan

Every Medical Care, Including Surgery and Specialization, Would Be Specified

A sweeping plan for providing medical care of every type, surgery and specialization included, at a cost to subscribers of four cents a day, is being developed for application to sixteen counties of New York next year, it was learned yesterday.

Assemblyman Foster Piper of Buffalo has completed a tentative draft of enabling legislation to be introduced at Albany in January, in what was termed a strong attempt to clear the way for relief alike of doctors and their patients. Meanwhile, the Kings County Medical Society has established a nucleus for the "Associated Medical Service of

New York—a mutual nonprofit cooperative association to facilitate employment of medical service."

Dr. Frederic E. Elliott, secretary-treasurer, said the object was "insurance against unusual and costly" doctors' bills. Ailments involving less than \$10 expense to the patient will not be covered by the plan, but any other disease or operation would be handled through an annual subscription of \$14.60.

RESEMBLES HOSPITAL PLAN

The plan resembles that of the Associated Hospital Service of New York, which was authorized by special legislation three years ago. The latter operates on a three-cent-a-day basis and offers hospitalization for stated periods. If the project covering physicians and surgeons also goes into effect, complete protection against a serious emergency may be obtained for \$24.60 yearly.

Mr. Piper's enabling clause, under the State Insurance Law, is expected to be in part as follows: "A membership corporation may be organized to function as a consumers' cooperative stock corporation, or a medical expense indemnity, or a hospital service for persons who become subscribers. Medical expense indemnity shall consist of reimbursement for medical care provided through duly licensed physicians and furnishing the necessary appliances, drugs, medicines, and supplies."

No one service would be allowed to combine medical and hospital care and all are to be strictly nonprofit making. Fraternal benefit societies and cooperative life and accident insurance companies are to be excluded from provisions of the measure.

NEW APPROACH PLANNED

The approach to the problem will differ from that of the Cooperative Health Association of New York, a member of the Association of Medical Cooperatives, which stopped enlisting subscribers recently after a warning from Attorney-General John J. Bennett, Jr., that its activity probably was illegal. According to State law no third agency may come between a physician and his patient.

Theoretically, in consumers' cooperatives the physicians are under contract to the corporation, whereas in medical expense indemnity there is a personal obligation to the patient. The indemnity idea depends on the participation of virtually all doctors. The consumers' cooperation stock corporation mentioned by Mr. Piper would be authorized to sell medicinal products but no professional services.

Dr. Charles H. Goodrich, president last year of the New York State Medical Society, is a member of the Medical Advisory Board of the proposed service. Serving with him are: Dr. Thomas M. Brennan, Dr. John E. Jennings and Dr. Harvey B. Matthews, all past Kings County Society presidents; Dr. Philip I. Nash, Kings president-elect; Dr. Alec N. Thomson, Kings medical director; and Dr. Alfred E. Shipley, former Deputy Commissioner of Hospitals. The application for certificate of incorporation has been drawn and signed by Dr. John B. D'Albora, Dr. John L. Bauer, Dr. Irving Gray, Dr. John J. Masterson, and Dr. Elliott.

The September issue of the *Kings County Medical Society Bulletin* will contain an editorial, describing the proposal and ending:

"There must be some concrete evidence that this enterprise will receive general acceptance and cooperative support of the medical profession. To this end, within the next few days, each physician in Kings County will receive a communication from the Association with an enclosed reply post card. . . . A vast amount of detail must be accomplished before the Association can actually enroll physician members."—*New York Times*, September 17.